GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:1190
ANSWERED ON:27.11.2000
INVESTMENT IN TELECOMMUNICATION SECTOR
HOLKHOMANG HAOKIP

Will the Minister of COMMUNICATIONS be pleased to state:

(a) the amount of money to be invested in Telecommunication sector during the Ninth Five Year Plan, State-wise particularly in Manipur;

(b) whether the Private Sector and multinational telecommunication companies have shown interest to make investment for development of telecommunication facilities in North Eastern States;

(c) if so, the details thereof; and

(d) the steps being taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) Ninth Five Year Plan does not include state-wise fund allocations. However, Planning Commission has approved an outlay of Rs. 46442.04 crores for Ninth Five Year Plan (1997-2002) for the Telecom Sector.

(b)&(c): So far two private companies have started their operations in North East Region. However, entry of more operators for development of telecommunication facilities in North Eastern Region is to be based on the recommendations of Telecommunication Regulatory Authority of India which are awaited.

(d) Government has introduced many incentives and investment policies for attracting investors in the Telecom Sector. Some of the measures are:

1. Procedures for automatic approval of 100 percent foreign equity in telecom manufacturing projects evolved.

2. No industrial license required for setting up manufacturing units for telecom equipment.

3. Foreign equity of 49 percent permitted in basic, cellular mobile, paging, value added services and global mobile personal communications by satellite.

4. FDI upto 100% allowed in ISPs not providing gateways (both for satellite and submarine cables), infrastructure providers providing dark fibre (IP Category -I), Electronic mail, voice mail.